



General Assembly

Substitute Bill No. 678

January Session, 2015



**AN ACT CONCERNING MUNICIPAL FLOOD ZONE MAPS AND THE
PROHIBITION OF FLOOD INSURANCE AS PREREQUISITE FOR
MORTGAGE LOAN FOR CERTAIN PROPERTIES.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective October 1, 2015*) An engineer employed or
2 retained by a municipality may revise a municipal flood zone map
3 such that it is consistent with a change in the flood zone designation on
4 a flood insurance rate map granted by the Federal Emergency
5 Management Agency pursuant to the procedure for map correction or
6 amendment set forth in 44 CFR Part 70 et seq., as amended from time
7 to time, or 44 CFR Part 72 et seq., as amended from time to time.

8 Sec. 2. (NEW) (*Effective October 1, 2015*) No mortgage lender shall, in
9 connection with any application for a mortgage loan in this state that is
10 secured by mortgage on real property located in this state, require any
11 prospective mortgagor to obtain a flood insurance policy for real
12 property if (1) such property is not designated as within a special flood
13 hazard area on the flood insurance rate map issued by the Federal
14 Emergency Management Agency, or (2) the Federal Emergency
15 Management Agency has issued a map correction or amendment
16 pursuant to the procedure for map correction or amendment set forth
17 in 44 CFR Part 70 et seq., as amended from time to time, or 44 CFR Part
18 72 et seq., as amended from time to time, as applicable, that indicates

19 that such property is not designated as within a special flood hazard
20 area.

This act shall take effect as follows and shall amend the following sections:		
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Section 1	<i>October 1, 2015</i>	New section
Sec. 2	<i>October 1, 2015</i>	New section

Statement of Legislative Commissioners:

The title was changed for accuracy and in Section 2, "real estate" was changed to "real property" for consistency.

PD *Joint Favorable Subst. -LCO*